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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 08/03/07-2

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(5) LDP prefectural chapters wary of possible Lower House
dissolution for general election

ASAHI (Page 4) (Full)
August 2, 2007

After the House of Councillors election, the Asahi Shimbun
interviewed the secretaries general of the prefectural chapters of
the ruling Liberal Democratic Party (LDP). Despite the party's
historical defeat in the Upper House race, most of them supported
Prime Minister Shinzo Abe's decision to stay on in office. Meantime,

they were wary of a possible resolution of the House of Representatives for a snap election, though they felt frustrated with Abe's management of his government, including his Diet strategy and appointments of cabinet ministers.

The large number of secretaries general said that there was no need for an early dissolution of the Lower House for a general election. Many insisted that the Lower House should not be dissolved as long as the LDP was facing an adverse wind. For example, Chiba Chapter Secretary General Hideo Honsei said: "We wouldn't win if a Lower

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House election were carried out now." Yoshizo Yoneda of the Ishikawa prefectural chapter said: "The prediction is that we will lose, so an election should not be conducted."

Hideaki Takuchi of the Kanagawa chapter took this view:

"Among those voted for Minshuto (Democratic Party of Japan) in Sunday's election, there were voters who had trusted the LDP, which has long held the reins of government. If the LDP loses another election, our support base will crumble."

They also expect the government and the LDP will turn up the heat on the DPJ. Tadashi Seko of the Shiga chapter responded: "As the time passes, various contradictions will come out in the DPJ's policy." Katsunari Nishioka of Kumamoto said: "The DPJ's pledges have a low feasibility factor. So we should wait for Diet debate."

The Nagano and Tottori chapters responded that the Lower House should be dissolved at an early time. Jiichiro of Nagano predicted the political situation would become sever, saying: "The Lower House would be dissolved until next summer at the latest. The DPJ would such tactics as preventing bills from passing the Diet and submitting no-confidence motions at the Upper House." Tottori's

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Hideaki Yamane replied: "In order for the LDP to win, a general election should be held after the typhoon passes. However, for the sake of the people, the election may have to be carried out even we are in the middle of a typhoon."

Provincial areas do not feel economic growth

A total of 39 prefectural chapters approved of Abe's economic growth policy.

Hokkaido's Kimiatsu Maruiwa, however, said: "There are gaps in the economy between the urban and regional cities," although he approved of the prime minister's economic policy. Koyama Yasuo of Okayama pointed out: "As the law of the jungle prevails in the LDP, the regional chapters will not function unless a significant revision is implemented."

Yoichi Suzuki of Akita did not make his position clear, but he said: "Akita residents do not feel economic recovery. I want the government to address economic policy." Isao Nakamura of Miyagi chapter stressed: "The policy direction is right, but this time around we were unable to put up with pains from reforms."

Asked about their views on Abe's remarks that many people understood his basic policy, 29 secretaries general said that they agreed, while 13 said they disagreed and five said they could not answer.

The focus was on the selection of a successor to Secretary General Hidenao Nakagawa, who has announced his intention to step down. When asked about who would be the appropriate person for the secretary general's post, seven chose Foreign Minister Taro Aso. Akira Fukai of Saitama said: "Aso is an internationalist since he was defeated in an election." Shigeo Usui of Yamanashi said: "His way of speaking is attractive."

Asked who would be most suitable person as next secretary general: seven said Taro Aso; three, Toshihiro Nikai; two, Makoto Koga; one, Shigeru Ishiba; one, Tadamori Oshima; one, Nobuyuki Hanashi; and 32 said they could not answer or they did not know.

(6) Calls growing for giving priority to protecting dugongs in waters off Henoko over assessment

TOKYO SHIMBUN (Page 26) (Excerpts)
August 1, 2007

In preparation for constructing a new air station to replace the Futenma Air Station in Ginowan, an undersea environmental impact assessment is now underway in waters off Henoko, Nago City, Okinawa Prefecture. Conservation groups are increasingly concerned that the environment assessment itself could threaten the survival of the dugongs.

The dugong is a large marine mammal and is one of four extant members of the order Sirenia. Their span of life is about 70 years. Dugongs inhabit coral reefs in tropical or subtropical shallow waters in such regions as East Asia, the South Pacific, and Australia. According to the World Wide Fund for Nature (WWF), about 100,000 dugongs exist in the world. Of them, 80,000 are in waters off Australia. In Japan, a small number of dugongs inhabit waters off the eastern coastal area of Okinawa, including the Henoko District. WWF Japan Director Shinichi Hanawa said: "Many people have

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seen dugongs in the Bay of Oura, where the US and Japanese governments want to build a new base. The bay is said to be home to dozens of dugongs." The dugong is heavily dependent on seagrasses for subsistence. Various kinds of seagrasses grow in the shallow waters in front of Camp Schwab.

Hanawa added: "It is feared that reclamation work could ruin the critical seaweed bed. I am worried about the possible negative impact of the ongoing assessment. Unless some measures are taken, the dugong might become extinct."

In the ongoing assessment, passive sonar, underwater video cameras, and other equipment to check the state of coral reportedly have been installed at more than 100 spots on the sea bottom. Hanawa said: "Dugongs are a wild animal, so it is conceivable that they leave habitat in reaction to lights or the presence of equipment unfamiliar to them. Before the environment is properly assessed, their habitat is being ruined. Such cannot be called scientific research."

The International Union for Conservation of Nature and Natural Resources (IUCN) urged the US and Japanese governments twice in the past to prepare measures to protect the dugong.

The WWF has worked on the IUCN to issue its third warning to Japan and the US, prior to the IUCN-sponsored conference in Spain in [2008](#).

Former Teikyo Kagaku University Professor Toshio Kasuya said:

"Assessment itself could threaten dugongs depending on its methods. It is necessary to urgently take measures to protect it, rather than continuing the assessment. The reclamation work must be stopped, and the environment must be protected. Japan is conducting environment impact assessment without setting any goals or standards to stop development or construction. If some measures (to protect the dugong) are not worked out now, It will become too late."

(7) Prime Minister Abe must not back down

SANKEI (Page 13) (Full)
August 1, 2007

Hisahiko Okazaki, former ambassador to Thailand

The ruling Liberal Democratic Party's rout in the recent election for the House of Councillors made me feel uneasy about the future of politics in Japan. However, I felt relieved now that Prime Minister Abe has made up his mind to stay on.

A man like Shinzo Abe is a wonder. When it comes to something very

important, he makes a decision of his own. Also, he is a person of steadfast convictions.

Prime Minister Abe has done so about the abduction issue since he was young. He has been firm in his convictions since the days when anyone who was outspoken would be called a reactionary rightist. On the recent comfort women issue, Prime Minister Abe stated: "The 20th century was an era when human rights were violated. Japan also had something to do with it." As seen from this statement, he has consistently kept his words touching the heartstrings of opinion leaders around the world in their view of the 20th century.

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This time as well, Prime Minister Abe, as far as I know, probably did not consult with anyone. He made his own decision that he believes is right. No matter how much noise or criticism he may encounter, he is the last to be shaken, holding fast to his judgment.

In the first place, I wonder what the election held this time was. Although I am out of their domain, I have always been feeling that the post-Cold War elections in Japan were a far cry from policy debates or ideology-oriented elections. In my view, those were image-oriented races. Such images are blown off and swing like the pendulum.

Otherwise, there is no way to explain the LDP's overwhelming victory in the earlier election for the House of Representatives. Given the swing of the pendulum, it was the LDP's turn to lose in the election this time after that overwhelming victory.

When considering Prime Minister Abe's administration and its achievements in the area of policies up to the election this time, he has been flawless in my area of foreign affairs and security. Actually, nothing was regarded as a problem in this area during the election campaign.

Prime Minister Abe, shortly after taking office, visited China and South Korea. Thereafter, Chinese Premier Wen Jiabao came to Japan. Prime Minister Abe held summit talks with Wen. In addition, the prime minister also met with US President Bush. In the following summit talks of Group of Eight (G-8) leaders, he spoke for Japan and its stance over environmental issues. He did so well that the opposition parties and the press could not find fault with him.

They say one of the issues at home is the pension problem. When it comes to the pensions fiasco, however, the onus should be laid on both Prime Minister Abe's predecessors and labor unions. Meanwhile, the government has increased the burden of taxes and old-age medical expenses. This, however, is a legacy from the Koizumi cabinet. It was an inevitable inheritance for Prime Minister Abe and his administration. He is not to blame for it. However, he became an object of public dissatisfaction. The public image of Prime Minister Abe swung back like the pendulum. This considerably affected the election.

In my intuition, however, there seems to be another reason. Kumiko Obino, in her recent writing for a newspaper, hit the nail on the head, noting that it might be a struggle between the LDP's new self and its old self (i.e., Ichiro Ozawa, president of the leading opposition Democratic Party of Japan or Minshuto).

The LDP-led government has now upgraded the Defense Agency to full ministry status. In addition, the government has also amended the Basic Education Law and created the National Referendum Law for constitutional revision. In the past, the LDP simply laid aside these issues for vague reasons, fearing as if to say it is going too far to do so. Undoubtedly, people with the LDP's old nature felt that something was wrong. However, they cannot rebut that, because the LDP is doing right under Prime Minister Abe. They were probably dissatisfied with that.

Prime Minister Abe would not avoid confronting the major newspapers.

Among his predecessors, no one but Prime Minister Eisaku Sato would try to face off with the big media. At one time, Prime Minister Sato vented his pent-up anger when he met the press after making up his mind to retire.

Prime Minister Abe has broken away from the way the LDP used to be. It can be easily imagined that his political approach or governing style angered the LDP's old-natured people who think much of logrolling politics.

Given that this analysis is right, Prime Minister Abe must not back down. In its former self, the LDP remains the same as the now-defunct Japan Socialist Party. In the LDP, there are many people who want to restore the party's old self to live in peace. If the prime minister backs down, they will regain momentum. If he holds out, they will turn into has-beens in time.

It is easy to imagine that the political situation will be difficult. However, Prime Minister Abe has only to carry out his original intention. Among those elected this time from the Democratic Party of Japan as well, I think that there are many people who are repulsed by the nature of the LDP's old self or the JSP.

The election this time might be a chance for generational change. If so, this can be a case of good coming out of evil. Prime Minister Abe should hold fast to his convictions and can become a supraparty rising star for those who will shoulder a new Japan.

During the election campaign, Prime Minister Abe was criticism-free in the area of foreign and security policies. Fortunately or unfortunately, the Constitution did not become a point at issue, either. Japan should make its alliance with the United States adamant, including the right of collective self-defense. By doing so, Prime Minister Abe should face up squarely to pending issues in order for Japan to secure its people for decades, and I hope the prime minister will pursue his initial goal.

(8) Editorial: Lessons of Riken shock

NIKKEI (Page 2) (Full)
July 24, 2007

The Chuetsu earthquake in Niigata Prefecture has caused confusion to domestic automakers as well, because the production of piston rings, key parts of car engines, at the Kashiwazaki plant of Riken Corp., a leading part maker, stopped. Various automakers have sent backup personnel to help the company's desperate efforts to recover from the damage. The incident has also called companies' crisis management ability into question in terms of their readiness for a possible earthquake and capability to constrain quake damage to a minimum.

Toyota Motor, the largest automaker, depends on Riken for a considerable portion of its piston ring procurement. The company decided to stop operations at all of its domestic plants starting on the afternoon of July 19, as it ran out of stock. Now that Riken resumed parts shipment on July 23 with its recovery efforts coming to fruition, Toyota will also resume almost full operations on July 24.

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A worst-case scenario of long-term continuation of the production suspension will likely be avoided. Even so, the production curtailment suffered by Toyota alone is estimated to reach 55,000 units. The curtailed output suffered by all carmakers due to the quake will likely reach 100,000 units, exceeding similar damage incurred in the Hanshin earthquake.

Behind such a widespread impact of the quake are Riken's high technical capabilities. Riken, which has its own high precision

processing technology, has jointly developed products with various automakers. Automakers make it a principle to procure parts from several suppliers just in case. However, regarding piston rings, they often placed orders with Riken alone out of consideration to the company's status as their development partner. Automakers are now facing a serious challenge of how to maintain a balance between securing stable supplies and strengthening R&D.

The Riken shock is not someone else's problem for other industries. The chip plant of Sanyo Electric Co. was hit by the 2004 Chuetsu earthquake. As they experienced in the Chuetsu earthquake this time, once a disaster occurs, manufacturing companies could suffer a direct impact if their business partners are struck, even if their plants suffer no damage.

Risk factors are not limited to within the country. Procurements of parts from foreign countries, such as China, have recently increased. It is imperative for companies to take countermeasures, hypothesizing cases in which their business partners are struck by such natural disasters as earthquakes floods, or by geopolitical risks, including terrorist attacks, in realizing disaster-resistant business management.

(Corrected copy) US concerned about DPJ's opposition to antiterrorism law's extension; US envoy wishes to try to persuade Ozawa

SANKEI (Page 7) (Full)
August 2, 2007

Takashi Arimoto, Washington

The US government is increasingly concerned over the question of extending Japan's Antiterrorism Special Measures Law, slated to expire in November. White House spokesman Tony Snow in a press conference on July 31 made the following comment regarding Democratic Party of Japan President Ichiro Ozawa's announcement to oppose the law's extension: "We will not interfere in Japan's political affairs. We consider Prime Minister Shinzo Abe as an important and valuable ally of the United States." Snow indirectly indicated that the United States would support the Abe administration and expressed hopes for continued assistance from Japan.

Meanwhile, US Ambassador to Japan Thomas Schieffer revealed a plan in an interview with the Financial Times August 1 edition that he would hold talks with Ozawa at an early date to try to persuade him not to oppose the law's extension.

The antiterrorism law has been the legal basis for the Maritime Self-Defense Force's mission of refueling vessels of the United States and other countries that are engaged in the mop-up operation in the Indian Ocean against the Islamic militant group Taliban in

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Afghanistan. The law will expire on November 1. Against a backdrop of the Taliban's increased activities and the murky situation in Afghanistan, the US government is concerned that Japan might discontinue its activities in the Indian Ocean.

In the interview, Schieffer while indicating that he has not met Ozawa since arriving at post in April 2005, expressed his eagerness to meet with the DPJ head to convince him, saying that opposing the law's extension will not serve Japan's interests in the wake of the ruling bloc's failure to garner a majority in the House of Councillors in the July 29 poll.

The ambassador also said: "Japan is a responsible member of the international community. If Japan decided not to make contributions, that would be truly regrettable."

Michael Auslin of the AEI, a US think tank, indicated in an interview with the Sankei Shimbun on July 31 that Tokyo's failure to extend the law would spell trouble for Japan-US relations. He also indicated that the key is held in the prime minister's explanation to the people, saying: "It would be an opportunity for Prime

Minister Abe to explain to the people about why Japan has to support the United States to counter terrorism."

In the meantime, the US House Committee on Foreign Affairs adopted on July 31 a resolution expressing appreciation for Japan's contributions to the war on terror and other matters. As examples, the MSDF's refueling activities in the Indian Ocean and the Air Self-Defense Force's airlift operations in Iraq are cited.

SCHIEFFER